

**Commonwealth of Kentucky  
Environmental and Public Protection Cabinet  
Department for Environmental Protection  
Division for Air Quality  
803 Schenkel Lane  
Frankfort, Kentucky 40601  
(502) 573-3382**

**AIR QUALITY PERMIT  
Issued under 401 KAR 52:040**

**Permittee Name:** Countrymark Cooperative LLP  
**Mailing Address:** 1200 Refinery Road, Mount Vernon, IN 47620

**Source Name:** Countrymark Cooperative LLP  
**Mailing Address:** 2321 Old Geneva Highway  
Henderson, KY 42420

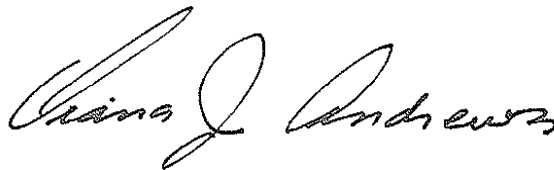
**Source Location:** NA

**Permit ID:** S-07-037 R1  
**Agency Interest #:** 1815  
**Activity ID:** APE20070001  
**Review Type:** Minor Source, Operating  
**Source ID:** 21-101-00083

**Regional Office:** Owensboro Regional Office  
3032 Alvey Park Dr. W., Suite 700  
Owensboro, KY 42303  
(270) 687-7304

**County:** Henderson

**Application**  
**Complete Date:** August 29, 2007  
**Issuance Date:** June 4, 2007  
**Revision Date:** March 10, 2008  
**Expiration Date:** June 4, 2017



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**John S. Lyons, Director  
Division for Air Quality**

## **SECTION A - PERMIT AUTHORIZATION**

Pursuant to a duly submitted application the Kentucky Division for Air Quality hereby authorizes the operation of the equipment described herein in accordance with the terms and conditions of this permit. This permit has been issued under the provisions of Kentucky Revised Statutes Chapter 224 and regulations promulgated pursuant thereto.

The permittee shall not construct, reconstruct, or modify any affected facilities without first submitting a complete application and receiving a permit for the planned activity from the permitting authority, except as provided in this permit or in 401 KAR 52:040, State-origin permits.

Issuance of this permit does not relieve the permittee from the responsibility of obtaining other permits, licenses, or approvals that may be required by the Cabinet or other federal, state, or local agencies.

**SECTION B - EMISSION POINTS, EMISSION UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS****Emission Unit PE****Pipeline Equipment**

<b>Emission Unit ID</b>	<b>Description</b>	<b>Maximum Capacity</b>	<b>Construction Date</b>
<b>PE</b>	Valves, Flanges, and Pumps	35,000 gal/hr	July 1969

**APPLICABLE REGULATIONS:**

- a. 401 KAR 63:010, *Fugitive emissions*.
- b. 401 KAR 63:020, Potentially hazardous matter or toxic substances.

**1. Operating Limitations:**

Pursuant to 401 KAR 63:010, no person shall cause, suffer, or allow petroleum liquid to be transported through pipeline equipment without taking reasonable precaution to prevent the amount of vapors into the air to cause a nuisance or to violate any administrative regulation by insuring that all valves, flanges, and pumps are tightly closed so that all air and gases and air or gas-borne material leaving the equipment are treated by destruction of air contaminants before discharge to the open air.

**Compliance Demonstration Method**

See Sections C.2.b. and C.6.b.

**2. Emission Limitations:**

Pursuant to 401 KAR 63:020, persons responsible for a source from which hazardous matter or toxic substances may be emitted shall provide the utmost care and consideration, in handling of these materials, to the potentially harmful effects of the emissions resulting from such activities.

No owner or operator shall allow any affected facility to emit potentially hazardous matter or toxic substances in such quantities or duration as to be harmful to the health and welfare of humans, animals and plants. Evaluation of such facilities as to adequacy of controls and/or procedures and emission potential will be made on an individual basis by the cabinet.

**Compliance Demonstration Method**

See Sections C.2.b. and C.6.b.

**3. Testing Requirements: N/A****4. Monitoring Requirements: N/A****5. Recordkeeping Requirements: N/A****6. Reporting Requirements: N/A**

## SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

### Emission Unit LA

### Loading Rack (Six Arms)

Emission Unit ID	Description	Maximum Capacity	Construction Date
LA	Three Arms – Gasoline	36,000 gal/hr	July 1969
	Two Arms – No. 2 Fuel Oil & One Arm – Ethanol	52,000 gal/hr	
	<u>Control Device</u> John Zinc Vapor Destruction Unit (VDU) Efficiency: 98 % Installation Date: June 13, 1995		

### APPLICABLE REGULATIONS:

401 KAR 63:015, *Flares*.

#### 1. Operating Limitations:

The efficiency of the flare shall be designed to meet compliance with 40 CFR 60.18, paragraphs (c)(3) through (e).

#### **Compliance Demonstration Method**

For compliance with the flare efficiency requirement, refer to Subsection 3.b.

#### 2. Emission Limitations:

Pursuant to 401 KAR 63:015, Section 3, no person shall cause, suffer, or allow the emission into the open air of particulate matter from any flare which is greater than twenty (20) percent opacity for more than three (3) minutes in any one (1) day.

#### **Compliance Demonstration Method**

For compliance of the flare's opacity emissions limit, refer to **Testing Requirements 3**.

#### 3. Testing Requirements:

The permittee shall perform a qualitative visual observation of emissions from the stack at least once per week. If visible emissions are seen, the permittee shall perform an EPA Reference Method 9 test for opacity on the applicable stack emissions within 24 hours of observing visible emissions and make any necessary repairs to bring the opacity into compliance.

#### 4. Monitoring Requirements:

Refer to **3. Testing Requirements**.

**SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**

**5. Recordkeeping Requirements:**

- a. The permittee shall maintain a log of the dates and times of each qualitative visual observation: noting color, duration, density (light or dark), and cause.
- b. The permittee shall maintain a log of the dates and times of each EPA Reference Method 9 test.

**6. Reporting Requirements:**

Refer to Section C.3.

## SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)

### Emission Units 401 – 405

### Tanks

Emission Unit ID	Description	Throughput Rate	Construction Date
401	<b>Diesel Tank (401)</b>	52,000 gal/hr	July 1969
	Internal Floating Roof Storage Capacity: 29,511 Barrels (1,239,462 gallons) Fuel: No. 2 Fuel Oil		
402	<b>Gasoline Tank (402)</b>	36,000 gal/hr	July 1969
	Internal Floating Roof Storage Capacity: 81,245 Barrels (3,412,290 gallons) Fuel: Regular Unleaded Gasoline		
403	<b>Diesel Tank (403)</b>	52,000 gal/hr	July 1969
	Fixed Roof Storage Capacity: 15,482 Barrels (650,244 gallons) Fuel: No. 2 Fuel Oil		
404	<b>Gasoline Tank (404)</b>	36,000 gal/hr	July 1969
	Internal Floating Roof Storage Capacity: 15,482 Barrels (650,244 gallons) Fuel: Premium Unleaded Gasoline		
405	<b>Ethanol Tank (405)</b>	52,000 gal/hr	July 1969
	Fixed Roof Storage Capacity: 550 Barrels (23,100 gallons) Fuel: Ethanol		

### **APPLICABLE REGULATIONS:**

401 KAR 61:050, *Existing Storage Vessels for Petroleum Liquids*, before April 9, 1972.

### **1. Operating Limitations:**

- a. Pursuant to 401 KAR 61:050, Section 4(1), there shall be no visible holes, tears, or other openings in the seal or any seal fabric.
- b. Pursuant to 401 KAR 61:050, Section 4(2), all openings, except stub drains, shall be equipped with covers, lids, or seals so that:
  - 1) The cover, lid, or seal is in the closed position at all times except during actual use;
  - 2) Automatic bleeder vents are closed at all times, unless the roof is floated off or landed on the roof leg supports; and
  - 3) Rim vents, if provided, are set to open if the roof is being floated off the roof leg supports or at the manufacturer's recommended setting.

**SECTION B - EMISSION POINTS, EMISSIONS UNITS, APPLICABLE REGULATIONS, AND OPERATING CONDITIONS (CONTINUED)**

- c. Pursuant to 401 KAR 61:050, Section 3(1), the storage vessel shall be equipped with a floating roof, a vapor recovery system, or their equivalents if the storage capacity is greater than 40,000 gallons and the true vapor pressure of the stored petroleum liquid is equal to or greater than one and five-tenths (1.5) psia but not greater than eleven and one-tenth (11.1) psia.
- d. Pursuant to 401 KAR 61:050, Section 3(3), as a minimum requirement, the storage vessel shall be equipped with a permanent submerged fill pipe if the storage capacity is greater than 580 gallons and the true vapor pressure of the stored petroleum liquid is equal to or greater than one and five-tenths (1.5) psia.

**Compliance Demonstration Method**

For compliance with operating limitations, refer to Section C. 6.b.

- 2. **Emission Limitations:** N/A
- 3. **Testing Requirements:** N/A
- 4. **Monitoring Requirements:** N/A
- 5. **Recordkeeping Requirements:** N/A
- 6. **Reporting Requirements:** N/A

## SECTION C - GENERAL CONDITIONS

### 1. Administrative Requirements

- a. The permittee shall comply with all conditions of this permit. Noncompliance shall be a violation of 401 KAR 52:040, Section 3(1)(b) and is grounds for enforcement action including but not limited to the termination, revocation and reissuance, or revision of this permit.
- b. This permit shall remain in effect for a fixed term of ten (10) years following the original date of issue. Permit expiration shall terminate the source's right to operate unless a timely and complete renewal application has been submitted to the Division at least six months prior to the expiration date of the permit. Upon a timely and complete submittal, the authorization to operate within the terms and conditions of this permit, including any permit shield, shall remain in effect beyond the expiration date, until the renewal permit is issued or denied by the Division. [401 KAR 52:040, Section 15]
- c. Any condition or portion of this permit, which becomes suspended or is ruled invalid as a result of any legal or other action shall not invalidate any other portion or condition of this permit [Material incorporated by reference by 401 KAR 52:040, Section 1a, 11].
- d. Pursuant to materials incorporated by reference by 401 KAR 52:040, this permit may be revised, revoked, reopened, reissued, or terminated for cause. The filing of a request by the permittee for any permit revision, revocation, reissuance, or termination, or of a notification of a planned change or anticipated noncompliance shall not stay any permit condition [Material incorporated by reference by 401 KAR 52:040, Section 1a, 4, 5].
- e. This permit does not convey property rights or exclusive privileges [Material incorporated by reference by 401 KAR 52:040, Section 1a, 8].
- f. Nothing in this permit shall alter or affect the liability of the permittee for any violation of applicable requirements prior to or at the time of permit issuance [401 KAR 52:040 Section 11(3)].
- g. This permit shall be subject to suspension at any time the permittee fails to pay all fees within 90 days after notification as specified in 401 KAR 50:038, Air emissions fee. The permittee shall submit an annual emissions certification pursuant to 401 KAR 52:040, Section 20.
- h. All previously issued permits to this source at this location are hereby null and void.



## SECTION C - GENERAL CONDITIONS (CONTINUED)

### 2. Recordkeeping Requirements

- a. Records of all required monitoring data and support information, including calibrations, maintenance records, and original strip chart recordings, and copies of all reports required by the Division for Air Quality, shall be retained by the permittee for a period of at least five years and shall be made available for inspection upon request by any duly authorized representative of the Division for Air Quality [401 KAR 52:040 Section 3(1)(f)].
- b. The permittee shall perform compliance certification and recordkeeping sufficient to assure compliance with the terms and conditions of the permit. Documents, including reports, shall be certified by a responsible official pursuant to 401 KAR 52:040, Section 21.

### 3. Reporting Requirements

- a. (1) In accordance with the provisions of 401 KAR 50:055, Section 1, the permittee shall notify the Regional Office listed on the front of this permit concerning startups, shutdowns, or malfunctions as follows:
  - i. When emissions during any planned shutdowns and ensuing startups will exceed the standards, notification shall be made no later than three (3) days before the planned shutdown, or immediately following the decision to shut down, if the shutdown is due to events which could not have been foreseen three (3) days before the shutdown.
  - ii. When emissions due to malfunctions, unplanned shutdowns and ensuing startups are or may be in excess of the standards, notification shall be made as promptly as possible by telephone (or other electronic media) and shall be submitted in writing upon request.
- (2) The permittee shall promptly report deviations from permit requirements including those attributed to upset conditions (other than emission exceedances covered by Reporting Requirement condition a.(1) above), the probable cause of the deviation, and corrective or preventive measures taken; to the Regional Office listed on the front of this permit within 30 days. Other deviations from permit requirements shall be included in the semiannual report [Material incorporated by reference by 401 KAR 52:040, Section 5, 3].
- b. The permittee shall furnish information requested by the Cabinet to determine if cause exists for modifying, revoking and reissuing, or terminating the permit; or to determine compliance with the permit [Material incorporated by reference by 401 KAR 52:040, Section 1a, 6].
- c. Summary reports of monitoring required by this permit shall be submitted to the Regional Office listed on the front of this permit at least every six (6) months during the life of this permit. For emission units that were still under construction or which had not commenced operation at the end of the 6-month period covered by the report and are subject to monitoring requirements in this permit, the report shall indicate that no monitoring was performed during the previous six months because the emission unit was not in operation.

The summary reports are due January 30th and July 30th of each year. All deviations from permit requirements shall be clearly identified in the reports. All reports shall be certified by a responsible official pursuant to 401 KAR 52:040, Section 21.

## **SECTION C - GENERAL CONDITIONS (CONTINUED)**

### **4. Inspections**

In accordance with the requirements of 401 KAR 52:040, Section 3(1)(f) the permittee shall allow authorized representatives of the Cabinet to perform the following during reasonable times. Reasonable times are defined as during all hours of operation, during normal office hours; or during an emergency:

- a. Enter upon the premises to inspect any facility, equipment (including air pollution control equipment), practice, or operation.
- b. To access and copy any records required by the permit.
- c. Inspect, at reasonable times, any facilities, equipment (including monitoring and pollution control equipment), practices, or operations required by the permit.
- d. Sample or monitor, at reasonable times, substances or parameters to assure compliance with the permit or any applicable requirements.

### **5. Emergencies/Enforcement Provisions**

- a. The permittee shall not use as defense in an enforcement action, the contention that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance [Material incorporated by reference by 401 KAR 52:040, Section 1a, 3].
- b. An emergency shall constitute an affirmative defense to an action brought for the noncompliance with the technology-based emission limitations if the permittee demonstrates through properly signed contemporaneous operating logs or relevant evidence that:
  - (1) An emergency occurred and the permittee can identify the cause of the emergency;
  - (2) The permitted facility was at the time being properly operated;
  - (3) During an emergency, the permittee took all reasonable steps to minimize levels of emissions that exceeded the emissions standards or other requirements in the permit; and
  - (4) The permittee notified the Division as promptly as possible and submitted written notice of the emergency to the Division within two working days after the time when emission limitations were exceeded due to the emergency and included a description of the emergency, steps taken to mitigate emissions, and corrective actions taken.
- c. Emergency provisions listed in General Condition 5.b are in addition to any emergency or upset provision contained in an applicable requirement [401 KAR 52:040, Section 22(1)].
- d. In an enforcement proceeding, the permittee seeking to establish the occurrence of an emergency shall have the burden of proof. [401 KAR 52:040, Section 22(2)].

## SECTION C - GENERAL CONDITIONS (CONTINUED)

### 6. Compliance

- a. Periodic testing or instrumental or non-instrumental monitoring, which may consist of recordkeeping, shall be performed to the extent necessary to yield reliable data for purposes of demonstration of continuing compliance with the conditions of this permit. For the purpose of demonstration of continuing compliance, the following guidelines shall be followed:
  - (1) Pursuant to 401 KAR 50:055, General compliance requirements, Section 2(5), all air pollution control equipment and all pollution control measures proposed by the application in response to which this permit is issued shall be in place, properly maintained, and in operation at any time an affected facility for which the equipment and measures are designed is operated, except as provided by 401 KAR 50:055, Section 1.
  - (2) All the air pollution control systems shall be maintained regularly in accordance with good engineering practices and the recommendations of the respective manufacturers. A log shall be kept of all routine and nonroutine maintenance performed on each control device. Daily observations are required during daylight hours of all operations, control equipment and any visible emissions to determine whether conditions appear to be either normal or abnormal. If the operations, controls and/or emissions appear to be abnormal, the permittee must then comply with the requirements of Section C – General Conditions, 3.a.(2) of this permit.
  - (3) A log of the monthly raw material consumption and monthly production rates shall be kept available at the facility. Compliance with the emission limits may be demonstrated by computer program, spread sheets, calculations or performance tests as may be specified by the Division [401 KAR 50:055, Section 2].
- b. Pursuant to 401 KAR 52:040, Section 19, the permittee shall certify compliance with the terms and conditions contained in this permit by January 30th of each year, by completing and returning a Compliance Certification Form (DEP 7007CC) (or an approved alternative) to the Regional Office listed on the front of this permit in accordance with the following requirements:
  - (1) Identification of the term or condition;
  - (2) Compliance status of each term or condition of the permit;
  - (3) Whether compliance was continuous or intermittent;
  - (4) The method used for determining the compliance status for the source, currently and over the reporting period, and
  - (5) For an emissions unit that was still under construction or which has not commenced operation at the end of the 12-month period covered by the annual compliance certification, the permittee shall indicate that the unit is under construction and that compliance with any applicable requirements will be demonstrated within the timeframes specified in the permit.

**SECTION C - GENERAL CONDITIONS (CONTINUED)**

- (6) The certification shall be postmarked by January 30th of each year. Annual compliance certifications shall be mailed to the following addresses:

Division for Air Quality

Division for Air Quality

Owensboro Regional Office

Central Files

3032 Alvey Park Drive W., Suite 700

803 Schenkel Lane

Owensboro, KY 42303-2191

Frankfort, KY 40601-1403

- c. Permit Shield - A permit shield shall not protect the owner or operator from enforcement actions for violating an applicable requirement prior to or at the time of permit issuance. Compliance with the conditions of this permit shall be considered compliance with all:
- (1) Applicable requirements that are included and specifically identified in this permit; or
  - (2) Non-applicable requirements expressly identified in this permit [401 KAR 52:040, Section 11].

**SECTION D - INSIGNIFICANT ACTIVITIES**

N/A